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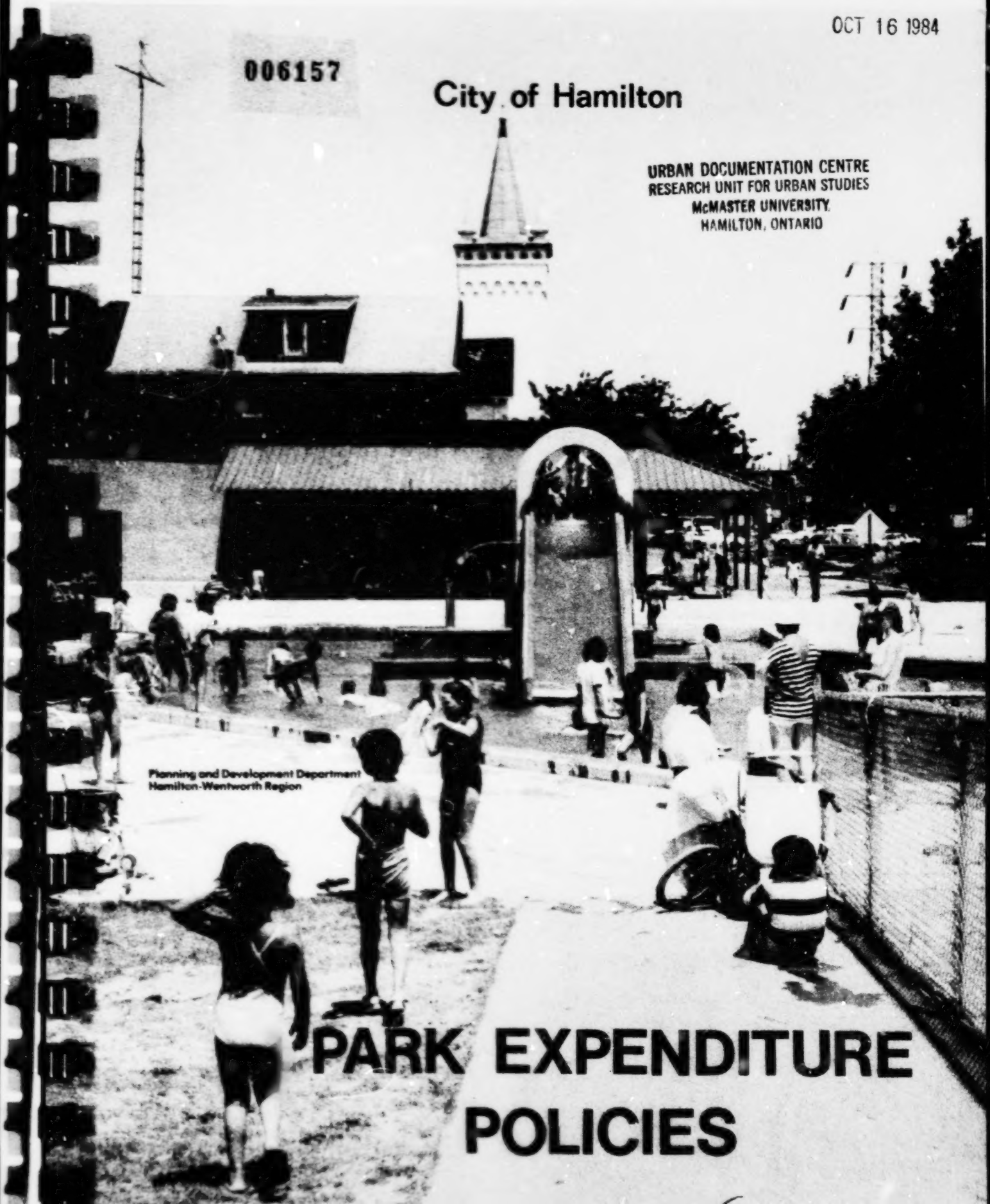

Planning and Development Department
Hamilton-Wentworth Region

PARK EXPENDITURE POLICIES

006157

This report was prepared jointly
by staff from the Departments of
Culture and Recreation,
Community Development,
Planning and Development,
Public Works,
Real Estate, and
Treasury

It was amended by the
Parks and Recreation Committee
on
September 29, 1983
to include the
Community Development Department
on the staff committee
responsible for
co-ordinating parks' expenditures (page 4)
and
proceeding with the purchase
of the Durand Park property
on a willing seller/willing buyer basis (page 5)

The report was amended again by the
Parks and Recreation Department on February 6, 1984
at the request of the Finance Committee
to include the term "non-residential property"
in Section 10 of Parks' Acquisitions Policies (Page 8).

Finally, the attached report was approved by the
Parks and Recreation Committee on March 1, 1984
and was adopted by City Council on March 13, 1984.

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REPORT

BACKGROUND

Hamilton is fortunate to have the Niagara Escarpment, the Red Hill Valley and the Cootes Paradise Area as a basic framework for parkland. Other important parks such as Gage Park and Confederation Park complement the framework. Prior to the 1950's the city did not systematically plan for or provide parks in the neighbourhoods. This left large residential sections without accessible parkland. In the 1950's, Hamilton embarked on a bold program of buying land at the centre of many of the undeveloped neighbourhoods on the mountain. Today, we are still bearing the fruits of this farsighted move. Residential developers do not have to dedicate parkland in most cases, but instead pay cash in lieu to the City. The money goes into the '5% park fund' and is currently used for expenditures on parkland acquisition. The money can however, according to the Planning Act, be spent on development or maintenance of parkland.

The situation in the 1960's was:

- the post war development usually had adequate land for park development,

- the newly developing neighbourhoods had adequate land for park development,

- the older parts of the City had a shortfall of parkland by current standards.

In the early 1970's, a program of planning developed neighbourhoods was begun starting with the older neighbourhoods first. In many of the plans it was established that buildings should be torn down and a park established. It was here that the '5% park fund' came into play. In the mid 1970's accounts were set up to acquire land mostly in the lower city. Originally accounts were set up for Durand, Corktown, Beasley, Central, Stinson, Landsdale, and Gibson, all inner city areas. Two mountain neighbourhoods, Quinndale and Rushdale, were also included. As neighbourhood plans were completed, further accounts were set up for Keith, McAnulty, Crown Point East, Crown Point West and Homeside. The accounts are known as 'Priority One' accounts, meaning that these areas have the greatest need for parkland acquisition. Approximately $4 million has been used to acquire about 100 out of the approximately 150 properties. Properties have been bought almost exclusively on a willing seller willing buyer basis. No more priority accounts are felt to be needed in the near future.

The following table shows a summary of the 'Priority One' parks on August 31, 1983.

Name	Map	Total Properties	Properties Purchased	Remaining Properties	Estimated Cost of Remaining Properties	Amount in Account	Surplus or Deficit to Complete Purchase
Beasley	1	15	12	3	109,000	113,472	+ 4,472
Corktown	2	12	9	3	60,000	80,548	+ 20,548
CPE	3	11	2	9	290,500	92,665	- 197,835
Durand	4	7	5	2	100,000	60,390	- 39,610
Keith	5	7	2	5	80,000	106,601	+ 26,601
Landsdale	6	21	20	1	45,000	94,697	+ 49,697
McAnulty	7	3	1	2	60,000	60,855	+ 855
Rushdale		6	5	1	20,000	14,884	- 5,116
Stinson	8	18	13	5	196,000	101,329	- 94,671
CPW	9	26	18	8	261,000	15,966	- 245,034
Homeside	10	25	13	12	505,850	30,573	- 475,277
TOTAL		151	100	51	1,727,350	771,980	- 955,370

The float was $366,988.55 (including commitments for OHC lands in various neighbourhoods of $130,828 and the proposed Bruleville Park of $90,000). Any 5% parks fund money is paid into the 'float'. The float money is used to top up each of the Priority 1 accounts.

Funds continue to flow into the account at about $200,000 - $300,000 a year, a slower pace than in the past. Money from 5% cash in lieu is likely to be reduced further by measures in the new Planning Act (which takes effect August 1, 1983) because of the new basis for appraisal. It is expected that cash in lieu payments and interest will be in the order of $200,000 for 1984 and subsequent years. Other income is derived from sale of park land which is surplus and leases of parkland not currently needed. Expenditures are also made on land which could be lost for parkland for all time unless it is purchased. Such cases include land at Greenhill Avenue/Albright Avenue which the Board of Education wished to sell. There is no way of knowing precisely when land which is considered to be a priority for parkland will come on the market.

Until 1981, an annual review of the parks' accounts was presented to the Parks and Recreation Committee. A generous cushion was built in to absorb surprise purchases. This system worked relatively well, but recently purchases in Vincent (Greenhill Avenue) and Bruleville (Bobolink Road) and quicker than expected purchases in Crown Point

West and Homeside (total approximately $850,000 since the beginning of 1982) have placed a heavy burden on the account. However, acquisition has slowed considerably in recent months although expenditures are anticipated in the short term future in Homeside (to complete purchases needed for development) and Bruleville (a woodlot not in city ownership).

Aside from the acquisition of smaller parks, there is the issue of purchase of larger parks such as Hamilton Beach, Albion Falls and the Lax Harbour land. It is impossible for the 5% park fund to stretch to these purchases and in any case the parks have a region wide significance.

The Region of Hamilton-Wentworth and the Hamilton Region Conservation Authority are purchasing the Beach properties for park purposes, but at a slower rate than previously. The Albion Falls land includes a 31 acre area for which no funds are available for purchase. The Parks and Recreation Committee tabled a recommendation from the Planning Department to sell an area of parkland for residential purposes to finance part of the acquisition. Concern was expressed that the new owners of the land might object to the proposed Red Hill Valley Expressway. The City is currently considering purchasing the Lax lands and the Conservation Authority has agreed to assist the City in securing funding for the acquisition. If the City buys all or part of the lands, it must look to alternative source of funds. Discounting help from other public or private sources, the City could look at two alternatives. The first is to raise taxes. The second is to review parkland which might be surplus to the City's requirement. Any surplus land could be sold off to provide funds for purchase.

Parks' development for the inner city areas is mostly provided by federal and provincial government programs such as the Neighbourhood Improvement Program. For example, such funds were used to develop Landsdale for an estimated $300,000 and Gibson an estimated $315,000 following acquisition through the 5% parks' fund.

Parks' development outside the Priority One areas rely predominantly on taxes as the source of income. There is a large backlog of parks needing either new development and additional development (see Appendix 1).

In a change from the past neighbourhood improvement funds (various programs funded partially by the federal and provincial governments) are to be used in McQuesten and Normanhurst which have substantial developed parks, but which require improvement. Neighbourhood improvement funding used to involve a 75% grant, but now only attracts a 50% grant.

Recently, economic restraint has brought a focus on the cost of maintenance and development. Techniques for limiting maintenance expenditures to less than inflation can be accommodated for the existing inventory of parks. However, where the parks' inventory is being increased this becomes considerably more difficult. For 1983 and probably 1984, the COED program is easing the maintenance situation since the program can be used to supplement the normal work carried out in the budget.

In summary, there is concern that expenditures on development and maintenance of parks are not fully integrated with planning and acquisition of parks. The following policies are designed to provide a more efficient and effective system of expenditure on parks.

PLANNING FOR PARKS

Policies

1. That a staff committee be responsible for co-ordinating parks' expenditures. The committee would include members from the Planning and Development Department, the Department of Culture and Recreation, the Park's Division, the Real Estate Department, the Community Development Department and the Treasury Department. Staff members from other departments would be invited as the need arose. For example, the Community Development Department is involved with the acquisition and development of a number of lower city parks. The committee would review all parks' matters, including proposed neighbourhood plans, proposed neighbourhood improvement areas, acquisition and sale of parkland, proposed parks' developments and proposed parks' layouts. An annual report should be prepared to monitor the situation and make recommendations. The committee would meet as the need arises for ongoing matters.

   - Parks matters cut across the mandate of a number of departments. Liaison is essential for a consistent and common sense approach

2. That parkland be designated in plans, bearing in mind the financial constraints of parks' acquisition, development and maintenance.

   - This will help to ensure the practicality of planning proposals.

3. That a Master Plan for Culture and Recreation be expedited.

   - A Master Plan commenced in August and is intended to lead to a more efficient parks' and recreational development system.

PARKS' ACQUISITION

Policies

1. That acquisition continue in the Priority One parks as follows:

   i) by using money paid into the 5% parks' fund.

   Note: Although $300,000 is included in the budget each year, the actual figure is determined by the income from property development or sale and lease of park land. Consequently, no money comes from the general levy or debentures and therefore the mill rate is not affected;

ii) by holding the purchase of further property in Corktown park until a review of the proposed neighbourhood plan amendments;

iii) on a willing seller - willing buyer basis wherever possible but in accordance with city policies on reviewing the need for expropriation;

iv) by holding off all letters to owners in Priority One Parks until a review in a year's time.

The reasons for continuing the acquisition programme are as follows:

a) The process of acquisition using 5% park funds has been going on for several years. Even though there is strain on parks' budgets, it is felt that the gain in halting acquisition does not outweigh proceeding with acquisition, at least in the majority of parks. In most cases Priority One properties are needed for satisfactory park development. Any possible savings in the Homeside Park have been abrogated by the Parks and Recreation Committee's decision to proceed with expropriation of 12 properties. Some saving could be made if the remaining properties in Corktown park were not purchased. These properties would increase the size of the park, but would be only marginally beneficial to the park in relation to the costs of purchase.

However, there would seem to be enough funds flowing through the 5% parks' fund to continue acquisition. It is likely that only between five and ten of the remaining houses in the Priority One areas outside Homeside would be acquired this year out of a total of about fifty. The numbers of properties acquired are likely to be less in the subsequent years. Expenditure on property now would not necessarily be more expensive than buying property later. Although increased interest would accumulate if purchase were deferred, this may be offset by increase in house prices due to inflation. The loss of taxes to the City only occurs if the property purchased for a park is demolished. This would only take place where a property was in poor condition. In any case demolished houses are theoretically replaced by new housing which would have higher taxes. Deferring purchase would also mean that a sale would be missed and it may be many years before the house comes on the market again. This may result in expropriation if the house is needed for park development.

It would seem to be more difficult for an owner to sell in the private market where the City's policy necessitates the demolition of housing sometime in the future. There is therefore some moral obligation on the City to buy houses that are designated for parks.

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The state of the 5% parks' fund (see table) and possible future effects is as follows:

- o about $5,000,000 has been appropriated (i.e. paid into priority 1 accounts) from the 5% parks' fund. Of this about $750,000 (see table on page 2 - total in second to last column) remains unspent in individual priority 1 accounts. This money can be moved around to where the need is greatest.

- o about $950,000 (see table on page 2 - total in last column) is needed to be appropriated to complete the acquisition of the 50 properties yet to be purchased.

- o about $350,000 was in the float in August 1983. Cash in lieu of parks dedication is paid into the float.

- o About $60,000 could be saved if Corktown acquisitions do not proceed.

- o If Corktown acquisitions do not proceed, only about $540,000 more will be needed to complete Priority 1 acquisitions. Mathematically this is:

  $950,000 appropriation deficit

  - $350,000 float

  $600,000 balance

  - $ 60,000 delete Corktown acquisitions

  $540,000 additional amount needed to complete Priority 1 acquisitions.

- o Assuming $200,000 is paid into the 5% parks fund each year, there would be enough money available to purchase all Priority 1 land in 5% parks fund by the middle of 1986. Mathematically, this is:

Paid into 5% parks fund remainder of 1983	$ 50,000
Paid into 5% parks fund 1984	$200,000
Paid into 5% parks fund 1985	$200,000
Paid into 5% parks fund first half of 1986	$ 90,000
Paid into 5% parks fund by end of 1985	$540,000

It should be noted however that any unexpected expenditures or sale of parklands will affect the picture. Purchase of the woodlot in Bruleville for about $150,000 (subject of a recent report) would delay timing by about 9 months. If the woodlot were purchased, it would be spring 1987 when the 5% parks fund had enough money to acquire all Priority 1 property.

- o If 20 properties are purchased by the end of 1984 (Homeside 12, plus 8 in other parks) at a cost of $750,000 ($500,000 in Homeside and $250,000 in other areas), there would be $600,000 in the float and individual accounts combined. Mathematically this is:

  $350,000 float

  $750,000 in individual reserves

  $250,000 expected income for the 5% parks fund by the end of 1984

  $1,350,000

  750,000 estimated acquisitions until the end of 1984

  $600,000

  If the Bruleville woodlot is purchased for $150,000, this would leave $450,000 in the 5% parks fund at the end of 1984.

2. That no more Priority One Parks be established at the present time.

   - Money in the future can be used for other lands, which are designated for parks, for development of parks, or maintenance of parks.

3. That an inventory of lands designated for parks, which are not on the Priority One list and which are not in City ownership, be made and be reviewed by staff.

   - The survey will identify the areas planned for parks for which no money has been allocated. Priorities for acquisition can be established and areas which are no longer needed for parks can be identified. Priorities can also be established between acquisition, development and maintenance.

4. That a review of City-owned parkland determine whether any land is surplus to requirement and if so, that the sale of the land be expedited.

- The sale of City lands bought for parks, but no longer needed for parks, will release capital for other parks' expenditures.

5. That sales of City-owned land designated for parks be paid into the 5% parks' fund.

   - Past expenditures on parks should be channelled back into parks when parkland is no longer needed.

6. That 5% funds, estimated to be between $200,000 and $300,000 per year, be used for acquisition for the present.

   - The fund can later be used for development and eventually, perhaps, maintenance.

7. That joint use of school land for parks be encouraged wherever possible.

   - This will reduce the amount of parkland needed and, therefore, reduce costs.

8. That the '5% parks' fund' be used for parks of a smaller size and that expenditures on parks of a regional significance, e.g. Lax, the Beach and Albion Falls, be funded from other sources, preferably a Regional agency.

   - The '5% parks' fund' cannot be stretched to cater for parks of Regional significance and it is appropriate that a Regional Authority be responsible for acquisition for such parks.

9. Wherever possible, properties that are acquired, but not yet needed for park purposes, should be used to their maximum potential. Houses should be rented out unless the condition of the property does not merit fixing, in which case the property should be demolished. Industrial sites should be leased on a short-term basis.

   - This is good business management, prevents the area from deteriorating and provides affordable housing and business space.

10. That all money generated from sales and leases of parkland and non-residential property be paid into the '5% parks' fund'.

    - Money generated by parkland should return to the park system. This will encourage sale of marginally useful parkland, the use of temporarily unneeded parkland and a park system less reliant on general taxes.

PARKS DEVELOPMENT

Policies

1. That priority for development of parks inside and outside redevelopment areas be dealt with by the Capital Budget Committee and that the large backlog of parks awaiting development be highlighted in the Letter of Transmittal from the Parks' Division.

   - Priority for development of parks can be established through the budget process and the lack of funds for development of parks outside redevelopment areas can be highlighted.

2. That each time a park is recommended for development, a statement of maintenance costs is included and the additional costs are recommended for inclusion in the budget.

   - This policy will ensure that the full implications of parks' development are known when decisions are made and that the appropriate amendments are made to the budget.

3. That where development of parks is appropriate in the future, the full use of federal and provincial dollars be closely studied.

   - This will enable needed parks to be developed at reduced costs to the city.

4. That phasing the development of parks should be avoided where feasible.

   - To complete the development of a park at one time is cheaper than phasing.

5. That vacant untreated parks be seeded and maintained where possible.

   - Vacant sites to be used for parks in the future can become an eyesore and degrade a neighbourhood. Seeding, which is not costly and improves appearance, provides an area which can be used. The maintenance costs may be little more than continually clearing junk from the site. Complaints from neighbours are less likely.

6. That where developers are dedicating parkland, the area should be graded, topsoiled and seeded as a condition of draft subdivision approval.

   - This will reduce the cost of park development.

7. That Homeside O.N.I.P. area proceed as planned with expenditures of $0.33 million in 1983, 1984 and 1985, including parks' development.

- The reasons for continuing the Homeside park are as follows:

a) There is a need for parkland in the Neighbourhood. The population of Homeside is over 6,000 and there is no park. Official Plan standards call for 15 acres of park. The proposed park is about two acres;

b) The Council adopted the Neighbourhood Plan in 1981 designating the proposed park in Homeside. The Homeside park was then put into the Priority One Acquisition Programme. Twelve out of twenty-five properties have been acquired and three have been demolished. A Redevelopment Plan has been adopted by Council and has received Ministry approval. Money has been allocated by the Province and the City for Homeside in 1983, 1984 and 1985. O.N.I.P. meetings confirmed that the creation of a park is a priority for Homeside residents. To stall now would be uneconomical. Monies from the Province will not be received unless the allocations are spent by the City in the designated years; and,

c) The development cost of the Homeside park will be subsidized 50% by the Province. Consequently, the City is getting good value for dollars spent. To postpone the development beyond 1985 may mean that Provincial money would not be available and the City will have to assume 100% of the cost to develop the park.

8. That McQuesten O.N.I.P. area proceed as planned with expenditures of $0.15 million in 1984, 1985 and 1986. If parks' development is found to be appropriate, this will be on City-owned land or other publicly-owned land.

- The reasons for allowing parks' development to proceed in McQuesten O.N.I.P. area are as follows:

a) Money has already been allocated by the City and the Province for McQuesten O.N.I.P. area;

b) Any parks' development would be financed 50% by the Province and consequently represents good value for City dollars; and,

c) Park acquisition costs would not be necessary. There would only be a limited effect on parks since upgrading of parks would be involved rather than complete development.

9. That Normanhurst O.N.I.P. area proceed as planned with expenditures of $0.15 million in 1984, 1985, and 1986. If parks' development is found to be appropriate, this will be on City-owned land or other publicly owned land.

The reasons for allowing parks' development to proceed in Normanhurst O.N.I.P. area are as follows:

a) Money has already been allocated by the City and the Province for Normanhurst O.N.I.P. area;

b) Any parks' development would be financed 50% by the Province and consequently represents good value for City dollars; and,

c) Parks' acquisition costs would not be necessary. There would only be a limited effect on parks since upgrading of parks would be involved rather than complete development.

10. That in the future money be provided from the 5% parks' fund for the development of parks to supplement any Federal, Provincial, or local funds.

- Once acquisition priorities are overcome, the fund can be used for development of parks. Allocation of funds will depend on need for acquisition and maintenance.

PARKS' MAINTENANCE

Policies

1. That any increase in parks' maintenance costs, due to newly developed parks, be dealt with by the Budget Committee and that the "Letter of Transmittal" for the parks' budget explain the difficulty of limiting park maintenance increases to 6% when the parks' inventory is being increased.

- The key issue of additional parks, creating maintenance costs over and above increases in expenditure due to inflation, should be highlighted in the budget process.

2. That full use be made of financial resources other than City funds - e.g. federal and provincial employment programmes, community organizations, school boards, etc.

- This could reduce overall maintenance costs significantly. There is likely to be considerable money available through "make work" programmes initiated by federal and provincial governments.

3. That parks be designed to minimize maintenance costs as long as the function of the park is not jeopardized.

- There are many issues affecting the design of a park. Greater emphasis on layout and materials, which save on park maintenance, will reduce costs.

4. That efforts be made to delegate maintenance to citizens and community organizations where feasible.

- This could reduce overall maintenance costs. Such an agreement would be suitable for smaller parks and may take the form of repayment for some city services - e.g., use of a park pavilion.

5. That, once acquisition and development priorities have been substantially met, money be provided from interest accruing on capital in the 5% parks' fund to minimize the effect on increase in maintenance costs through increase in park development.

   - The '5% parks' fund' can be used for maintenance of parks. Allocation of the funds will depend on the need for acquisitions and development.

APPENDIX 1

PARKS NEEDING DEVELOPMENT

(Prepared by the Parks Division, September 1982)

DEVELOPMENT PRIORITIES (Please note these are priorities from 1-5 re. park development)

(1) Brian Timmis
Corktown
Gilkson
Gourley
Olympic
Riverdale East - Partially developed
91 East Avenue & Hunter Street
Lake Avenue

(2) Ainslie Wood
Captain Cornelius
Lake Avenue
Langs
Oak Knoll - Partially developed
Scenic
Chateau Court - (rearland)
Hixon
Quigley Road and Hildegard Drive
Tindale Court

(3) King's Forest Pond
Laurier
Stinson - (Carter)
Woodward
Brigadoon Drive
Burkholder
Upper Paradise Road
Gurnett
West of Upper Ottawa
North from Greenhill Avenue and Quigley Road
East of Quigley Road

(4) Turner Farm
Lampman Farm
Billy Sherring - Upper Sherman
West of Upper Gage
Redhill School Park - Albright Road
King Street East of Albion
East of Garth, south of Stone Church
Wm. Connell - West 5th south of Stone Church
Deerborn Drive

(5) Stroud Road Park - Partially developed
Stone Church and Rymal Road, east of Upper Wellington
West of Upper Wentworth
Upper Wellington
Upper Paradise Road
Blossom Lane

FUTURE DEVELOPMENT - (Parks which require further development, but circumstances will dictate completion)

Beach Strip - No. 1
Beach Strip - No. 2
Canal Park
Century Street
Cumberland Tot Lot
Skyway Playlot
Harbour Front Properties
Mountain Freeway Alignment
Redhill Valley, King at Lawrence, west of Mt. Albion Road
Mount Albion at Greenhill North to TH & B
Hydro R-O-W and Mountain Freeway
Mount Albion Road and Mud Streets
Stone Church and Arbour Roads
Barton-Melvin Blvd. - Red Hill Valley, Barton to CNR Tracks
Bay & Simcoe Property
B&H R-O-W - westerly from Upper Horning
King's Forest Park - Albion Falls to Golf Course - Mt. Brow Blvd. and Mud Street

CAPITAL BUDGET

Bernie Arbour
Mohawk Sport Park
Upper Wentworth, south of Limeridge

PROPOSED RE-DEVELOPMENT - (Parks that are complete but need renovations or new development)

Barton Street - (Walker)
Bobby Kerr
Gore
Myrtle

NIP PARKS - (Parks funded under NIP Projects)

Burton Street Playground - Not complete
Landsdale - Not complete
Kay Drage Park - Not complete

NIP PARKS UNDER CONSTRUCTION

J C. Beemer Park
Birge Playground
Kay Drage Park
Woodlands
Tom Street
St. Brigid's
West Avenue School
Wentworth Street School
Central Park